

# FROM THE DESK OF THE CEO

## CREATING SHAREHOLDER VALUE



**David Affonso**  
President and Group CEO

### Dear Shareholder

As we approach the close of the first year of Massy's second century in business, I believe it is an appropriate opportunity to redefine our engagement with Shareholders – the people and institutions that have demonstrated their trust and confidence by investing in the vision of this Group, over the long and successful journey of expansion and growth.

This Group CEO Forum has been launched to open a new channel through which to will share some of the key initiatives that the Group has been engaged in during the past 12 months. These initiatives will ensure that we are optimally positioned and resourced for sustainable growth and value creation for our Shareholders.

This bulletin is intended to supplement our statutory reports, and keep you, our Shareholders, in touch with some of the workings of the Massy 'engine room'.

#### AT A GLANCE:

- Full review of our systems of governance, processes, and policies
- Examined our human resource management policies and processes
- Review our performance and talent management systems
- Revisit our remuneration philosophy with a view to creating better links between pay and performance

#### MASSY GLOBAL VISION

As you know, Massy is a multinational and multi business organisation. We compete for talent, resources, markets, and customers in the regional and global arena where success demands that we adjust and adapt constantly, while relentlessly striving to deliver more with less.

As we move to execute our Global vision, we recognise that the systems and structures that drove our success for the past 100 years will not sustain us through the next; to remain relevant our operating and governance models must be reviewed, revalidated, revised, and constantly strengthened. I am pleased to assure you that one year into our new century this foundational work is well underway.

## FOCUS ON CORPORATE GOVERNANCE

As we look at ways to **build further resilience into our robust Corporate Governance platform on which future growth and expansion initiatives will be anchored, it is important to recognize what has been achieved.** In this regard, I am proud to share that in May, the Jamaica Stock Exchange (JSE) through the Corporate Governance Index Review Committee (CGIC), an independent body that measures how well companies conform to the principles of corporate governance, completed its assessment of the listed companies for fiscal 2023 and **awarded MASSY an 'AA' rating – the maximum for listed companies.**

More recently, in October, the Caribbean Corporate Governance Institute (CCGI) announced the Annual Governance Ranking of the top 10 listed companies on the Trinidad and Tobago Stock Exchange (TTSE). **MASSY tied for the first-place ranking** with another very strong organisation.

As a Group, it is imperative that we continue to strive for continuous improvement and hold ourselves to the highest ethical standards, not because someone may be watching, but simply because it is the right thing to do.

### KEY INITIATIVES

In February 2024, the Group's Board of Directors commissioned a review of our systems of governance, processes, and policies to ensure that Massy is and remains in step with global best practice.

Major Initiatives undertaken this year include:

- A review of the Investment Holding Company (IHC) Organisational Design and Group Governance structure.
- A Review of our Executive Compensation/Renumeration philosophy, with a view to creating better links between pay and performance, and alignment in the markets where we operate.
- A review of our HR Policies and Contracts.
- Operational improvements aimed at Cash Generation Performance Improvement
- A review of our Capital Allocation methodology.
- Building our Crisis Communications & Brand Reputation Management capability.
- Strengthening our Community Engagement.
- Strengthening our Relationships with our Investors.

This bulletin speaks to the last of these initiatives and is one of several being undertaken to keep you, our Shareholders, engaged in the progress of the Group.

Finally, achieving the ambitious growth and expansion targets we have set ourselves, requires us to continue attracting, retaining and developing the best available talent everywhere we compete, as such, we will shortly be undertaking a comprehensive review of all of our executive training and development programmes to ensure that they are aligned with the evolving needs of the business both now and in the future.

## **MASSY ON THE MOVE!**

Following, are a few highlights from our Portfolios for the 2024 financial year:

### **In our INTEGRATED RETAIL PORTFOLIO (IRP)**

- Massy Stores opened a new retail supermarket in Giftland Mall, Georgetown, its sixth store in Guyana. It also opened a new Home Store at the Baywalk Shopping Mall in Rodney Bay, St Lucia, further expanding its presence in the northern part of the island.
- Construction began on Massy Distribution Trinidad's new 232,000 sq. ft warehouse in Macoya, part of the IRP's regional warehouse expansion programme.
- Massy Distribution USA acquired a 172,000 sq ft warehouse facility in Jacksonville Florida, to facilitate its growing export business to the Caribbean.

### **In our GAS PRODUCTS PORTFOLIO (GPP)**

- In September, Massy Gas Products Ltd. commissioned Guyana's largest air separation plant. The US\$12 million facility has the capacity to produce 13 tonnes of gas per day, eliminating the country's need to import nitrogen or oxygen.
- The acquisition of Air Liquide in Trinidad last year has yielded benefits both in terms of security of production and increased operational capabilities throughout the current year.
- Similarly, our purchase of IGL in Jamaica has allowed us to retain market leadership in a robust and active LPG market.

### **In our MOTORS & MACHINES PORTFOLIO (MMP)**

- Massy Motors was awarded representation rights for MG in the Southern Caribbean and Guyana.

### **In our FINANCIAL SERVICES LINE OF BUSINESS**

- Massy Remittance Services (Trinidad) Ltd, the local agent for MoneyGram received provisional Central Bank approval for an E-Money License, moving one step closer to enabling digital remittances.

I trust that this first Message from THE CEO'S DESK will give you some insight into our strategy in action and some of the initiatives that we are undertaking to support our business imperatives and your investment in the MASSY Group. I look forward to your feedback and take this opportunity to thank you for your continued support, time and attention.

David Affonso  
President and Group CEO